

Glossary of Terms and Definitions

A-133 Single Annual Audit	An independent audit performed for a private nonprofit local agency that receives over \$500,000 in total federal monies to ensure funds are expended for allowable costs in accordance with grant objectives, and to ensure internal controls are in place.
Acquisition Cost	The cost of an asset including installation.
Additional Claim Reimbursement	An actual expenditure incurred during a budget period, not previously claimed on any invoice, may be submitted on a subsequent invoice. It is not necessary to submit an additional invoice for the month the charges occurred.
Adjusted Maximum Line Item Shift Limit	The maximum allowable amount for a line item shift. The State adjusts this amount annually based on the consumer price index.
Administrative Services Cost Category	All costs (direct or indirect) generally considered to be overhead or management costs. General management costs include those costs associated with program monitoring, prevention of fraud, general oversight and food check accountability.
Advance Payment	A payment of one-month pro-rata share of the total local agency's budget period amount. An advance payment may only be issued to a private nonprofit local agency with a total budget of \$200,000 or less for the first budget period of the contract and after the execution of the contract.
Agreement (Contract)	An enforceable written document between two or more competent parties with the elements of the agreement being: offer, acceptance, consideration, and compliance with all applicable terms and conditions.
Allocable Costs	A cost is allocable if it was incurred specifically for the WIC Program. The cost must benefit the WIC Program and be distributed in reasonable proportion to the benefits received.
Allowable Cost Payment System	Eligible costs incurred to carry out the WIC program, as further defined in the Cooperative Agreement Act, Health and Safety Code Section 38077 and the CMB, Chapter 4.
Allowable Costs	Allowable costs are determined in accordance with Office of Management and Budget (OMB) cost principles applicable to the entity incurring the cost. These costs must be reasonable and necessary to carry out the Scope of Work provisions specified in the local agency agreement.

Amendment	A formal change to a contract.
Amount Payable	See Maximum Payable Amount.
Audit Finding (s)	The conclusions reached by a State or Federal review of a local agency's financial management records, as further defined in the CMB, Chapter 13.
Audits and Investigations Branch (A&I) of DHS	The branch which is responsible for tracking and reviewing A-133 Single Annual audit reports received from a private nonprofit local agency.
Authority to Spend Funds Process	State WIC Branch process that monthly appropriates funding to a local agency based on the State WIC Branch/local agency need(s).
Authorized Caseload	The number of participants per month a local agency must serve.
Authorized Caseload Funding	The dollar amount given to a local agency to provide WIC services to participants based on the WIC funding formula according to provisions set forth in Title 7 of the Code of Federal Regulations (CFR), Section 246.16 (D) (2) and in the WPM.
Authorized Funding Amount	The combination of the authorized caseload funding and other WIC Services funding which is the amount that a local agency is authorized to spend to provide WIC services.
AutoDialer	An automatic delivery appointment message system that delivers reminder messages to WIC participants. The system is PC based and uses data downloaded from ISIS. The autodialer system includes: Pentium PC (optional if local agency already has in place); software; and computer.
Automated Data Processing (ADP) Equipment	Computer system (unit of equipment) or an electronic peripheral device, e.g., printer, having a base unit cost of \$5,000 or more and a useful life expectancy of one or more years. Exception: miscellaneous hardware such as cabling, surge protectors, etc., and commercially available software less than \$5,000 per unit, is not defined as equipment and should <u>not</u> be budgeted in the "Capital Expenditures" Line Item. These items should be budgeted as office supplies.
Base Cost per Unit	The actual cost of a unit of equipment before tax, delivery, and installation charges are added.
Breastfeeding Cost Category	All costs (direct and indirect) expended for breastfeeding promotion and support.
Breastfeeding Promotion and Support	"Strategies, initiatives, and services that increase and advance the initiation and continuation of breastfeeding among WIC participants.

Budget Period	The 12-month time period during which a local agency is funded. There are three budget periods covered in the contract and each period coincides with a federal fiscal year.
Budget Period Detail	Source documentation supporting invoiced costs for a budget period.
Budget Worksheet	The local agency's proposed distribution of Maximum Payable Amount funds during a budget period.
Business and Miscellaneous Expenses	Costs that are necessary for the completion of official WIC business include but are not limited to: business phone calls, equipment, and supply purchases.
Capital Asset	Property with an acquisition cost at or above \$5000 and having a useful life of more than one year.
Capital Expenditure	The cost of a tangible item (equipment having a base unit cost of \$5,000 or more and a useful life expectancy of one or more years) including the cost to install or put in place. Examples: printer, computer system including installation charges.
Caseload Allocation	See Authorized Caseload.
Caseload Monitoring Period	A 12-month period from May 1 through April 30 during which the State monitors a local agency's caseload performance.
Certification Regarding Lobbying	This form is signed to certify that no Federal appropriated funds have been paid or will be paid to influence or attempt to influence an officer or employee of a local agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract.
Client Services Cost Category	All costs (direct and indirect) expended to deliver food and other client services and benefits.
Commercial Rates	Standard hotel costs.
Commercially Available Software	Prewritten computer software programs available from retail dealers. Examples: Lotus, Word, Excel, etc.
Common Carrier Component Shift	Public mode of travel, e.g., airline, train, bus. The movement of contract funds between the elements within a line-item that does not change the line item total.
Comptroller General of the United States	Performs federal audits for the Federal Government.

Contract	See definition of Agreement.
Contract Amendments	A formal change to a contract.
Contractor	The local agency that enters into an agreement with the State to provide WIC services.
Corrective Action Plan	A plan developed by a local agency to address a weakness in their WIC program or a finding in their Program Evaluation. The plan identifies the steps taken to correct the problem and the action taken to preclude a recurrence.
Correspondence	Written communication to a local agency (e.g., award letter, authorization letter, email, fax) concerning program operations, policies and procedures, funding, and reporting.
Cost Allocation Plan	Identifies services to be provided and the methodology a local agency uses to attribute costs to more than one program, and substantiates claims for services provided for the reimbursement of Indirect Costs.
Delivery Cost	The cost of the shipment of goods from seller to buyer, or alternate location, as designated by the buyer.
Depreciation	A charge which distributes the cost of a tangible capital asset, less residual value, over the estimated useful life of the asset in a systematic and logical manner.
Direct Costs	Any cost identified with a specific objective which benefits the WIC program.
DHS 4101	See Report of Actual Expenditure.
Disclosure of Lobbying Activities	If any funds other than Federal appropriated funds have been paid or will be paid to influence or attempt to influence in connection with this contract, this form (Standard Form LLL) must be signed and submitted.
Drug-free Workplace Certification	A form signed certifying compliance with Government Code Section 8355 to providing a drug-free workplace. This includes publishing a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited; establishing a Drug-Free Awareness Program; and providing every employee with a copy of the company's drug-free workplace policy statement and their agreement to comply.

Emergency Situation	An event (e.g., earthquake, fire, labor disputes, etc.) which seriously limits or renders impossible the local agency's ability to provide timely performance of any or all of the services outlined in the Agreement.
Encumbered	Funds set aside to cover an obligations (direct or indirect) necessary and allowable to provide WIC services.
Equipment	<ul style="list-style-type: none"> a. Any unit (including replacement parts) having a <u>base unit</u> cost of \$500 or more (excluding tax, delivery, and installation charges). b. Any commercially available ADP software having a unit cost of \$5,000 or more. c. Any noncommercially available software regardless of cost.
Expenditures	Expenses and costs to carry out the WIC program.
Expensing	A process to charge the entire acquisition cost of a capital asset to WIC in the fiscal year of acquisition.
Federal Cost Category	The four categories of costs necessary to operate the WIC program. The categories are: Administrative Services, Breastfeeding, Client Services, and Nutrition Education.
Federal Office of Inspector General (OIG)	Performs federal audits for the Federal Government.
Final Invoice	The last claim for reimbursement for actual expenditures allowed under the terms of this Agreement, which must be submitted prior to March 1 st of the year following the end of the budget period.
Financial Management Reviews	Are usually conducted by the State Controller's Office (SCO) once every two years.
FMNP Program	The Farmers' Market Nutrition Program (FMNP), a federally-funded and regulated program that provides resources in the form of fresh, nutritious, unprepared foods (fruits and vegetables) from farmers' markets to eligible women, infants, and children who are nutritionally at risk and who are participating in the WIC program. The Program is authorized by section 17(m) of the Children Nutrition Act (CNA) of 1962 (42 U.S.C. 1786(m)) as amended and Sections 123275 et. Seq. of the California Health and Safety (H&S) Code.

FMNP Program Federal Regulations	Title 7, Code of Federal Regulations (CFR), Part 248, Farmers' Market Nutrition Program (FMNP). The federal regulations under which USDA implements the FMNP program.
FMNP Program Federal Statutes	Title 17 (42 U.S.C. section 1786(m). The federal authorizing statutes for the program referred to as the Child Nutrition Act (CNA) of 1992.
FMNP Program State Statutes	California Health and Safety Code (H&S) sections 123275 et. Seq. The state authorizing statutes for the Program.
FNS	The Food and Nutrition Service of the U.S. Department of Agriculture is responsible for most of the nation's nutrition assistance programs including food stamps, WIC, the meal programs for school children and other lower income people. FNS establishes rules and regulations for state and local agencies to operate those nutrition assistance programs. Also, FNS oversees the operation of those programs to ensure integrity through quality, accountability and customer service.
Food Check/Instrument	A negotiable document printed and issued to WIC participants for the purchase of WIC supplemental foods at authorized WIC vendors and retail grocery stores.
Formal Hearing	Conducted by an Administrative Law Judge (ALJ) and is a trial de novo (no consideration will be given to any evidence or testimony given at the Informal Hearing).
Funding Application	A standard document completed by the local agency to request WIC funding. This document is submitted to the State for evaluation and review as a basis for initiation of a new contract or renewal of an existing contract.
General Purpose Equipment Government Auditing Standards (GAS)	Equipment, which is not limited to research, medical, scientific or other technical activities. Provides standards for governmental audits.
HAS 1203 (Exhibit A-1)	The "Contract Equipment Purchased with DHS Funds" (HAS 1203) form is used to record newly acquired items of major, minor or sensitive equipment/goods (or items procured with Federal and/or State WIC Funds) to the inventory.
HAS 1204	The "Inventory/Disposition of DHS Funded Equipment" HAS 1204 form is used to document, the inventory of State furnished property for each local agency and to request disposition of any recorded item that is no longer needed, defective, obsolete, etc.

Headquarters	The place where an employee spends the largest portion of his/her regular working hours, or returns upon completion of assignments.
Health and Safety (H&S) Audit	An independent annual financial audit conducted for a private nonprofit local agency who receives less than \$500,000 in total federal monies. This audit is used to determine if the local agency has followed general accounting principals, laws and regulations.
High Risk for Theft Items	Items at high risk for theft include any tangible/intangible item specifically identified by the State having a unit cost per item less than \$5,000. These items can be defined as minor or sensitive equipment/goods. Reference: Chapter 9, Section VI, page 9-19; list of Items at High Risk For Theft.
In-Kind Contribution	These non-cash contributions may consist of grantee contributions, such as property or depreciation of equipment, or third party contributions including services, equipment, or property. Cash is not considered an in-kind contribution.
Incidental for Allowances	When the travel is greater than 24-hours, incidental allowance is used for: personal telephone calls, laundry and dry cleaning, small miscellaneous expenses, and newspapers, magazines, and tips.
Independent CPA Auditors	Performs local agency financial audits including A-133 Single Annual audits and Health and Safety (H&S) audits.
Indirect Costs	Expenses that have been incurred for the overall general executive and administrative offices of the parent organization and other expenses of a general nature that do not involve direct client services. They are incurred for a common or joint purpose that benefits more than one program or project and cannot be readily assigned to one program or project.
Installation	To put an item or system in place and make ready for use. Examples: machinery, equipment, minor equipment, and software.
Integrated Statewide Information System (ISIS)	State WIC Branch's centralized data processing system, used to collect and store information concerning participant eligibility, enrollment, food check/instrument issuance and redemption for local agencies.
Inventory/Disposition of DHS-Funded Equipment – HAS 1204	The "Inventory/Disposition of DHS Funded Equipment" HAS 1204 form is used to document, the inventory of State furnished property for each local agency and to request disposition of any recorded item that is no longer needed, defective, obsolete, etc.
Invoice	A claim for reimbursement of expenditures incurred according to the terms of the Agreement, as further defined in Exhibit B.

Last Fractional Day of Travel	Last day of travel, less than 24 hours, on more than 24 hour travel status.
Line Items	The five categories that make up the local agency's budget. They are: Personnel, Operating Expenses, Capital Expenditures, Other Costs (Subcontracts), and Indirect Costs.
Line-Item Components	The specific cost elements that comprise a line item within a local agency's budget.
Line Item Shift	The movement of contract funds from one budget line item to another.
Liquidated Obligations	Allowable WIC program costs that are paid for each budget period.
Liquidation	To settle a debt by payment or another settlement method.
Major Equipment (\$5,000 or more)	Any tangible item that has a unit cost per item (before tax) of \$5,000 or more and a useful of life expectancy of at least one year. Equipment also includes noncommercially-available software, regardless of cost, and commercially-available software with a unit cost per item of \$5,000 or more.
Maternal, Child and Adolescent Health (MCAH) Branch of DHS	Responsible for tracking and reviewing A-133 Single Annual audit reports received from a private nonprofit local agency.
Maximum Payable Amount	This amount includes base funding, unauthorized "other WIC services", and a reserve for caseload increases.
Minor Equipment	Any tangible item that has a base unit cost of \$500 to \$4,999 (including tax) and a useful life expectancy of one year or more. Minor equipment includes items considered to be at high risk for theft.
Miscellaneous Equipment	Any item that has a base cost of less than \$500, and a useful life expectancy of 1 or more years. Examples: desks (all types), playroom furniture, filing cabinets, non-digital camera, and staff chairs.
Miscellaneous Hardware	Miscellaneous hardware consists of components necessary to operate a computer system. Each item costs less than \$500 (including shipping, handling and taxes) and is defined as a supply item. Examples: cables; surge protectors; adapters; edge connector; and mouse. These items are budgeted as office supplies.
Modular Office Furniture	A workstation comprised of individual components (pieces) which may be taken apart and rearranged. Examples: panels, work surfaces, file pedestal, and shelf.

Narrative	An explanation of the need to subcontract.
Necessary Costs	Costs which are incurred to carry out essential program functions and required in order to avoid a situation that will adversely impact program operations.
Noncommercial Rates	Lodging and meal costs, other than standard hotels and restaurants.
Non-Commercially Available Software	Customized software programs written for a specific function.
Nutrition Education Services	Individual or group education sessions that provide information and educational materials provided to WIC participants. These are designed to improve health status, achieve positive change in dietary habits, and emphasize relationships between nutrition and health all in keeping with a participants' personal, cultural, and socioeconomic preferences (Section 246.2 of the Code of Federal Regulations).
Nutrition Education Cost Category	All costs (direct and indirect) necessary to provide nutrition education services.
Nutrition Services Administration Funds	Funding provided to support the WIC Program operations and defined in 7 CFR 246.2, exclusive of food costs.
Office of Management and Budget (OMB) Circulars	The federal policies and procedures governing uniform grant administration that specifically outline allowable costs and should be used as a reference.
One-Day Travel	Travel status less than 24 hours and beyond 50 miles of employee's headquarters.
Other WIC Services	Other WIC services include, but are not limited to, infrastructure improvements, nutrition services and activities, breastfeeding promotion and education, Improving customer service, Farmers' Market Nutrition Program, participation on State sponsored or approved committees, and special projects.
Participation	The monthly average number of WIC eligible persons that receive supplemental food checks.
Per Diem	Daily travel costs which include an incidental allowance for each 24 hour period, and meals and lodging expenses incurred while an employee is traveling over 50 miles from headquarters.
Personal Computer (PC)	A small programmable machine with microcomputer chips used to operate various software applications.
Personnel Justification Worksheet	A document that is submitted with the Project Budget Proposal which provides justification for Line Item #1, Personnel.

Primary Residence	Where the employee's dependents reside, and monthly maintenance expense is \$200 or more.
Primary WIC Program Contact (PWPC)	The Contractor's manager who is responsible for the day-to-day WIC operations and who is able to review the monthly invoices from the program operations perspective.
Prospective Payment	A prospective payment is a 1/12 share of the total local agency's budget period amount and up to three payments may be issued. The total amount of the prospective payment shall not exceed 25% of the Maximum Amount Payable for the first budget period of the contract. An advance payment may be issued to private non-profit agencies and local governments. It may only be issued prior to the execution of the contract.
Purchase Estimate	A written statement by a vendor ready to do the work or supply the desired item. The Purchase Estimate must include an approximate cost of work to be done; and/or an approximate value of an item to be purchased.
Purchase Order	An obligation of funds to a single vendor for requested items or services.
Reasonable Costs	A cost that does not exceed the amount which a prudent person would spend under the circumstances prevailing at the time the decision was made to incur the cost.
Renovations	Rearrangements, alterations and restorations of real property to make it suitable for program use.
Repairs	Activities to restore capital assets to their former, serviceable condition by replacing parts, putting together broken components, etc.
Replacement Parts	Substitute components, regardless of cost, which replace components of a unit in order to restore the unit to its original function. Examples: keyboard for a previously purchased PC, or sorter for a previously purchased copier.
Report of Actual Expenditure (DHS 4101)	A report completed by the Contractor at the end of each budget period that must be submitted to the State by December 15th of each year. The report summarizes all the budget year actual expenditures and distributes those expenditures to the four cost categories. These categories are: 1) Nutrition Education; 2) Breastfeeding; 3) Client Services; and 4) Administrative Services.
Request for Application	A solicitation document issued by the State to select a local agency to

(RFA)	provide WIC services to a specified area of California and/or a specific target group.
Retail Grocery Outlet	Any retail store authorized to participate in the WIC program to provide WIC authorized foods to WIC participants. Also referred to as a vendor.
Services	Activities associated with conducting the day-to-day administrative program operations of a local agency.
Short-Term Travel	Travel status more than one 24-hour period and less than 31 consecutive days.
Single Annual Audit	See A-133 Single Annual Audit
Software	The set of programs, procedures, and related documentation that is associated with a computer system.
Sole Source Vendor	An item is available from one source; subscription, publication, or technical manual; software license; parts or service only available from manufacturer; regulated utilities; court order or legislative mandate; master agreement or contract that were originally awarded through competitive process; and there is a public emergency need for the item and competitive solicitation will delay the process. Example: a company has a patent on the desired item and is the only supplier.
Special Purpose Equipment	Equipment which is used only for research, medical, scientific, or other technical activities.
State Committee	A work group or task force set up by the State, to address a specific topic, (e.g., breastfeeding, food delivery, and training) pertinent to WIC. The membership may consist of representatives from a local agency, State staff and the community.
State Controller's Office (SCO)	Performs state financial management reviews on behalf of the State of California.
Subcontract	A written agreement between the Contractor and another person or organization under which any portion of a local agency's obligation is performed, undertaken, or assumed by that person or organization.
Subcontract Cover Letter	A brief letter requesting formal authorization to subcontract.
Subcontractor	An entity or person that enters into an agreement with a local agency to provide some WIC services defined in the local agency's Scope of Work.
Supplies	Tangible property with a unit cost of less than \$500 (excludes modular office furniture and items at high risk for theft).

Examples: commercially available software costing less than \$5,000; miscellaneous hardware (surge protector, cabling, etc.), calculators, folding chairs, toner, paper, pencils, bibs, sippy cups, and breastfeeding pads.

Third Party in-kind

See In-Kind Contributions

Time Study

The study that a local agency's staff must complete which accurately reflects time spent in one of the four federal cost categories (General Administration, Client Services, Nutrition Education, and Breastfeeding). It requires the completion of the "Employee Daily Time Sheet" accounting for 100% of their time.

Transportation

Expenses may include, but are not limited to private vehicle mileage allowances (with approval), emergency repairs to local agency-owned vehicles, parking costs, bridge and road tolls, and charges for commercial carriers (e.g., airline, bus, rental car, etc.).

Travel Expense

Travel expenses include per diem allowance, transportation expenses, and business and miscellaneous expenses.

Unit

All connecting parts, modifications, attachments, or auxiliary apparatus necessary to make an item useable. Example: copier with a sorter.

Unliquidated Obligations

Unpaid WIC program financial commitments during the budget period.

U.S. Department of Agriculture (USDA)

The federal agency that funds and implements the WIC program throughout the United States.

Use Allowance

Use Allowance is analogous to depreciation, whereby the State or local agency charges a fixed amount, not to exceed two percent of acquisition cost, for the use of buildings in Federal programs.

Vendor

Any retail store authorized to participate in the WIC program to provide WIC authorized foods to WIC participants. Also referred to as a retail grocery outlet.

Vendor Data Record - Std. 204

The basic form used to collect a contractor's federal identification number and information about whether or not contractor payments are subject to taxation. This form is required for each non-governmental contractor (including UCs) and must be on file with DHS's Accounting Office before contract payments may be scheduled.

WIC Base Funding

The authorized amount for caseload given to a local agency each budget period.

WIC Contract

A comprehensive guide to fiscal, administrative and operational

Management Binder (CMB)	requirements, procedures and forms to assist a local agency in carrying out the WIC Program.
WIC Local Agency	A governmental or private non-profit organization that provides WIC Program services according to the terms of an agreement with the State.
WIC Nutrition Assistant (WNA)	A paraprofessional who provides WIC services to participants.
WIC Participant	An individual who has been certified as eligible to receive supplemental food check/instruments, nutrition education, and referral services from the WIC program in the State of California.
WIC Program	The Women, Infants, and Children (WIC) Supplemental Nutrition Program, a federally-funded and regulated program that provides supplemental food instruments, nutrition education, and referral services to eligible pregnant, breastfeeding, and postpartum women, infants, and children under the age of five. The Program is authorized by the Child Nutrition Act (CNA) of 1966 (42 U.S.C. 1786) as amended and Sections 123275 et. Seq. of the California Health and Safety (H&S) Code.
WIC Program Federal Regulations	Title 7, Code of Federal Regulations (CFR), Part 246, Women, Infants, and Children Supplemental (WIC) Nutrition Program. The federal regulations under which USDA implements the WIC program.
WIC Program Federal Statutes	42 U.S.C. section 1786. The federal authorizing statutes for the WIC program referred to as the Child Nutrition Act (CNA) of 1966.
WIC Program Manual (WPM)	A comprehensive guide to State policies and procedures governing the California WIC program designed to assist local agency staff in carrying out day-to-day program operations and activities.
WIC Program State Regulations	Title 22, California Code of Regulations (CCR), Sections 40601 et. Seq. The state authorizing regulations for the Program.
WIC Program State Statutes	California Health and Safety Code (H&S) sections 123275 et. Seq. The state authorizing statutes for the Program.
WIC Supplemental Nutrition Program	The federal grant program administered by USDA and operated by local agencies to abate the health risks of low income women, infants, and children under the age of five.
Written Communication	Signed hard copy correspondence between the State and a local agency.